



SURFACE TRANSPORTATION BOARD

[Docket No. FD 36494]

Ringneck & Western Railroad, L.L.C.—Acquisition and Operation Exemption— Railroad Line in Davison, Aurora, Brule, Lyman, Jones, Jackson, & Pennington Counties, S.D.

Ringneck & Western Railroad, L.L.C. (RWRR), a noncarrier, has filed a verified notice of exemption under 49 CFR 1150.31 to (1) acquire from the State of South Dakota, acting by and through its Department of Transportation (the State) approximately 285.43 miles of rail line extending between milepost 374.57 in Mitchell, S.D., and milepost 660.0 in Rapid City, S.D. (the Line); (2) commence common carrier service over the portions of the Line extending between (a) milepost 374.57 in Mitchell, S.D., and milepost 562.53 in Kadoka, S.D., (the MK Segment) and (b) milepost 659.6 and milepost 660.0, both in Rapid City, S.D. (the Rapid City Segment); (3) acquire common carrier service reactivation rights over the currently rail-banked segments of the Line between milepost 562.53 in Kadoka, S.D., and milepost 659.6 in Rapid City, S.D.¹; and (4) incidental to the acquisition of the Line, acquire by assignment overhead trackage rights over lines of BNSF Railway Company (BNSF) between (a) BNSF's connection with the eastern end of the MK Segment of the Line at BNSF milepost 650.65 at Mitchell, S.D., and certain yard tracks in BNSF's Mitchell Yard at BNSF milepost 650.16; and (b) BNSF's Mitchell Yard at milepost 650.16 and the Grain Shuttle Facility in Mitchell, S.D., located at milepost 652.9 (the Trackage Rights Lines).

¹ See Sammamish Transp. Co.—Notice of Interim Trail Use & Termination of Modified Cert., FD 33398 (Sub-No. 1) (STB served Feb. 26, 1998); Mitchell-Rapid City Reg'l R.R. Auth.—Modified Rail Cert.—Between Caputa & Rapid City, S.D., FD 35149 (STB served Apr. 28, 2009).

This transaction is related to a verified notice of exemption filed concurrently in Watco Holdings, Inc.—Continuance in Control Exemption—Ringneck & Western Railroad, L.L.C., Docket No. FD 36512, in which Watco Holdings, Inc., seeks to continue in control of RWRR upon RWRR's becoming a Class III rail carrier.

The verified notice states that RWRR and the State have reached an agreement pursuant to which RWRR will purchase the Line (including the right to restore common carrier service over the rail-banked segment), commence common carrier service over the MK Segment and the Rapid City Segment, and acquire by assignment overhead rights over the Trackage Rights Lines.

RWRR certifies that its projected annual revenues as a result of this transaction are expected to exceed \$5 million, but they are not expected to result in RWRR becoming a Class I or Class II rail carrier. Because the projected annual revenue will exceed \$5 million, RWRR certified, on March 25, 2021, that it had complied with the labor notice requirements of 49 CFR 1150.32(e) on March 24, 2021. RWRR also certifies that the proposed acquisition and operation of the Line does not involve a provision limiting RWRR's future interchange of traffic on the Line with a third-party connecting carrier.

The earliest this transaction may be consummated is May 24, 2021, the effective date of the exemption (60 days after RWRR certified its compliance with the labor notice requirements of 49 CFR 1150.32(e)).

If the verified notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the effectiveness of the exemption. Petitions for stay must be filed no later than May 16, 2021 (at least seven days before the exemption becomes effective).

All pleadings, referring to Docket No. FD 36494, should be filed with the Surface Transportation Board via e-filing on the Board's website. In addition, a copy of each

pleading must be served on RWRR's representative, Robert A. Wimbish, Fletcher & Sippel LLC, 29 North Wacker Drive, Suite 800, Chicago, IL 60606.

According to RWRR, this action is categorically excluded from environmental review under 49 CFR 1105.6(c) and from historic preservation reporting requirements under 49 CFR 1105.8(b).

Board decisions and notices are available at www.stb.gov.

Decided: April 27, 2021.

By the Board, Allison C. Davis, Director, Office of Proceedings.

Eden Besera,

Clearance Clerk.

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